



Improving the Contribution of Contracts and Subcontracts to Effective Implementation of Integrated Safety Management

Champions: Keith Klein, Manager, Richland
Operations Office

Joe Nemec, Bechtel Jacobs, East
Tennessee Technology Park



Agenda

- Overview of Major Points of Invited Speakers
- Overview of Major Discussion Points, Observations, and Issues Addressed by Panel Tracks
- Action Items – Level 2 Schedule Proposed by Panel Tracks



Invited Speakers

- Introduction – Contracts, Behaviors, and Safety - Keith Kline, Richland
- Current System and Its Flexibility; Possible Decision Trees for Designing the System and Related Contract Features – Richard Hopf, ME-60
- Conditional Payment of Fee Clause – Clark Gibbs, Richland
- Effectiveness of Implementing the ISM Contract Clause – Matt Moury, DNFSB
- Integrated Subcontractor Safety Management – Joe Nemec, Bechtel Jacobs, ETPP
- Fundamental Changes to the System: An Overview of Approaches:
 - Environmental Management Cleanup Contracts – Paul Golan, EM-1
 - Office of Science Model Contract Initiative – Paul Kruger, Richland



Discussion Session Participants

Track D – Improving the contribution of contracts and subcontracts to the effective implementation of integrated safety management.

Champions: Keith Klein, Richland Operations Office
Joe Nemec, Bechtel-Jacobs, ETTP

EH Facilitators: Mark Whitaker
Frank Tooper

D-1 Effective Use of Contract Safety Provisions – Are They Working?
Champion: K. Klein, RL; Moderator - C. Gibbs, RL

D-2 Next Generation of Contracts – How best to motivate safety behavior
Champion: R. Hopf, ME-60; Moderator - D. Compton, S-3.1

D-3 Integrated Subcontractor Safety Management – Opportunities for improving the safety envelope
Champion: Joe Nemec, Bechtel-Jacobs, ETTP; Moderator - P. Caswell, ETTP, R. Rollins, SPRO



Effective Use of Contract Safety Provisions – Are They Working

Session D-1

Keith Klein, Champion



Effective Use of Contract Safety Provisions – Are They Working

Conditional Payment of Fee (a.k.a. Killer Clause) – Keith Klein, RL

CPOF Clause Background

- Language of current DEAR version controversial
- Rule making initiated ~ two years ago
 - Rulemaking version generated numerous comments
 - Comments raised numerous new issues
- Proposed alternative version developed by DOE-RL
- RL version developed against specified criteria
- RL version used as basis for Track D -1 session



Effective Use of Contract Safety Provisions – Are They Working

Conditional Payment of Fee (a.k.a. Killer Clause) – Keith Klein, RL

Track D-1 Actions

- Continue to accept concept that safety is a performance gateway
- Adopt proposed criteria and develop principles
 - Predictable DOE response
 - Augment with administrative criteria/process
- Examine various scenarios (SC, EM, NNSA)
- Reexamine concept of performance failures
 - Are third degree performance failures appropriate?



Conditional Payment of Fee – Level 2 Schedules

CPOF Clause Path Forward

Action Items	Key Milestone	Responsible Individuals
<ul style="list-style-type: none">Establish working group		Frank Tooper, EH Richard Hopf, ME
<ul style="list-style-type: none">Develop revised CPOF clause and/or administrative procedures	8/30/02	
<ul style="list-style-type: none">Continue rulemaking, if necessary	10/30/02	
<ul style="list-style-type: none">Put new clause(s) in contracts	Starting 10/02	
<ul style="list-style-type: none">Ops Office Advocates		Bob Poe, ORO Clark Gibbs, RL Charlie Dan, RFFO
<ul style="list-style-type: none">Contractor Advocates		Kelly Trice, RL KH Gerry Bellows



Effective Use of Contract Safety Provisions – Are They Working

Integrate Safety into Work Planning and Execution (a.k.a. ISM Clause) – Keith Klein, RL

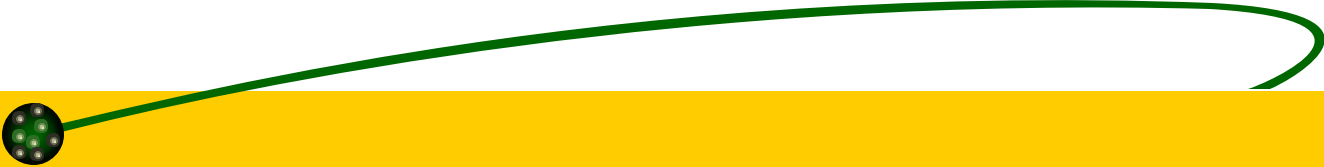
- ISM clause does not need revision
- However, how do you improve use of the clause to conduct more work safely?



Integrate Safety Into Work Planning and Execution (a.k.a. ISM Clause) (Cont.)

Key Provisions

- Measure ISM effectiveness annually
Factors that need to be considered include:
 - Do I have a process (beyond Phase 2 validation) to implement ISM
 - Are the safety culture and worker behaviors driving continuous improvement?
 - How do we measure this?
- Annual Assessments
 - Objectives
 - Measures
 - Commitments (align \$s)
 - Continuous improvement and the implementation of ISM



Integrate Safety Into Work Planning and Execution (a.k.a. ISM Clause) – Level 2 Schedules

Action Items	Key Milestones	Responsible Individuals
<ul style="list-style-type: none">• INEEL host working forum to review lessons learned	<ul style="list-style-type: none">• Summer 2002	<ul style="list-style-type: none">• Jerry Bowman, IDO• Don Boyd, PNNL• Charlie Anderson, SRO• Harold Monroe, OR• Doug Shoop, RL• Marvin Gunn (will provide representation), CH• Kelly Trice, Kaiser-Hill, RL• Frank Tooper, EH



Next Generation of Contracts – How to Best Motivate Safety Behavior

Session D-2


R. Hopf, ME-60



Integrated Subcontractor Safety Management – Opportunities for Improving the Safety Envelope

Session D-3

Joe Nemec, Champion



3rd Quarter Outcome (9/30/02)

**Share/Implement Best Practices for
Subcontractor Safety Enhancements**



Expected Outcomes for Session D-3

- Plan how to share and implement best practices across the DOE complex to ensure subcontractors conduct work safely by the end of 3rd quarter 2002
- Determine EFCOG and DOE roles and responsibilities/contractor accountability for implementing best practices
- Plan how to implement a system to facilitate contractor senior management involvement and accountability for implementing best practices on a continuous basis after 2002.



Organizations/Site Represented

Bechtel Jacobs – Oak Ridge

Fermilab

BWXT – Y-12

BNFL – Idaho

PWT – Oak Ridge

DOE – Savannah River

DOE – Fermi Area Office

DOE - Headquarters



Discussion Outcome

- Need to focus on sharing practices/processes on subcontract formation, administration and closeout



Contents of Website

- Subcontracting Practices and Points of Contact
- Lessons Learned (High Level)
- Links to Other Websites
- Notification of New/Updated Information – Subscription
- Site Advocates



Integrated Subcontractor – Safety Management Level 2 Schedules

<u>Action Items</u>	<u>Key Milestones</u>	<u>Responsible Individuals</u>
• Identify potential (existing) websites	May 22, 2002	Peery Shaffer
• Select Website	June 1, 2002	Joe Nemec
• Identify DOE HQ Champion	June 1, 2002	Joe Nemec
• Identify Site Advocates	June 14, 2002	Keith Kline & Joe Yanek
• Collect Current Practices	July 15, 2002	Les Reed
• Build web page	July 15, 2002	Pending Selection
• Input Data/Test Site	September 30, 2002	Pending Selection



Barriers to Success

- Problems with existing sources of information; e.g., CAIRS
- Resources to maintain website information
- Inhibitions/fears about putting information on website
- Ownership at top level and at working level